

LAW OFFICES

ROSS & HARDIES

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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SUSAN G. LICHTENFELD

December 28, 1987

REC'D. DATE NO. Filed 1425

DEC 29 1987 - 10 12 AM

INTERSTATE COMMERCE COMMISSION

Ms. Noreta R. McGee

Secretary

Interstate Commerce Commission

12th Street and Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Ms. McGee:

Enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are one original copy and two counterpart originals of an Equipment Lease Agreement, dated as of November 1, 1987, a primary document as defined in the Commission's Rules for the Recordation of Documents.

The name and address of the parties to the enclosed Equipment Lease Agreement are:

Lessor: Pullman Leasing Company,
a division of Signal Capital
Corporation
200 S. Michigan Avenue
Chicago, Illinois 60604

Lessee: Occidental Chemical Corporation
360 Rainbow Blvd. South
Niagara Falls, N.Y. 14303

A description of the railroad equipment covered by the enclosed document is set forth in Appendix A hereto.

Also enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are one original copy and two counterpart originals of a Guarantee dated as of November 1, 1987, a secondary document as defined in the Commission's Rules for the Recordation of Documents, which guarantees the Lessee's obligations under the above-described Equipment Lease Agreement.

15428-A

REC'D. DATE NO.

DEC 29 1987 - 10 12 AM

INTERSTATE COMMERCE COMMISSION

Date 12-29-87

Fee 20.00

NYC Washington, D.C.

Counterpart - Cindy Davis

Ms. Noreta R. McGee
December 28, 1987
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The name and address of the parties to the enclosed Guarantee are:

Guarantor: Occidental Petroleum Corporation
360 Rainbow Blvd. South
Niagara Falls, N.Y. 14303

Lessor: Pullman Leasing Company,
a division of Signal Capital
Corporation
200 S. Michigan Avenue
Chicago, Illinois 60604

Also enclosed is a check in the amount of \$20.00 payable to the order of the Interstate Commerce Commission covering the required recordation fees.

Kindly return two stamped counterpart originals of each of the enclosed documents to the messenger.

Following is a short summary of the enclosed documents:

Equipment Lease Agreement to be Recorded

Equipment Lease Agreement dated as of November 1, 1987 between Pullman Leasing Company, a division of Signal Capital Corporation, Lessor, and Occidental Chemical Corporation, Lessee, covering 105 covered quadruple hopper cars.

Guarantee to be Recorded

Guarantee dated as of November 1, 1987 from Occidental Petroleum Corporation, Guarantor, to Pullman Leasing Company, a division of Signal Capital Corporation, Lessor, guaranteeing the obligations of Occidental Chemical Corporation under an Equipment Lease Agreement dated as of November 1, 1987 between Pullman Leasing Company, a division of Signal

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Page 3

Capital Corporation and Occidental Chemical
Corporation covering 105 covered quadruple
hopper cars.

Very truly yours,


Susan G. Lichtenfeld

SGL:tk
Enclosure

1 5428-B
RECORDATION NO. _____ FILED 1425

DEC 29 1987 - 10 19 AM
INTERSTATE COMMERCE COMMISSION

GUARANTEE

Dated as of November 1, 1987

of

OCCIDENTAL PETROLEUM CORPORATION

to

PULLMAN LEASING COMPANY,

a division of **SIGNAL CAPITAL CORPORATION**

Filed and recorded with the Interstate Commerce Commission
pursuant to the Interstate Commerce Act, 49 U.S.C. §11303, at
____: ____ .m., on December ____, 1987, recordation number ____.

GUARANTEE

DEC 29 1987 - 10 10 AM

INTERSTATE COMMERCE COMMISSION

GUARANTEE dated as of November 1, 1987 from OCCIDENTAL PETROLEUM CORPORATION, a Delaware corporation (the "Guarantor"), to PULLMAN LEASING COMPANY, a division of Signal Capital Corporation, a Delaware corporation (the "Lessor").

WITNESSETH:

WHEREAS, the Lessor and OCCIDENTAL CHEMICAL CORPORATION, a New York corporation (the "Lessee") and a subsidiary of Guarantor, have entered into an Equipment Lease Agreement dated as of the date hereof (the "Lease"), providing for the leasing by the Lessor to the Lessee of certain railroad equipment (the "Units");

WHEREAS, as an inducement to the Lessor to enter into the Lease with the Lessee and to lease the Units, or any of them, to the Lessee, the Guarantor has agreed to guarantee as hereinafter provided all of the obligations and covenants of the Lessee under the Lease;

NOW, THEREFORE, in consideration of the premises, the execution and delivery of the Lease, the covenants hereinafter mentioned to be kept and performed and other good and valuable consideration, the Guarantor hereby agrees to and does the following:

1. The Guarantor does hereby unconditionally guarantee to the Lessor, without offset or deduction, (a) the prompt payment when due (taking into consideration applicable notice or grace periods), whether by acceleration or otherwise, of all amounts payable by the Lessee pursuant to the Lease, the guarantee under this clause (a) of Section 1 constituting hereby a guarantee of payment and not of collection, and (b) the punctual (taking into consideration applicable notice or grace periods) and faithful performance by the Lessee of each and every duty, agreement, covenant and obligation of the Lessee under and in accordance with the terms of the Lease. The Guarantor does hereby agree that in the event the Lessee does not or is unable to pay or perform in accordance with the terms of the Lease for any reason (including, without limitation, the liquidation, dissolution, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceedings affecting

the status, existence, assets or obligations of, the Lessee or the limitation of damages for the breach, or the disaffirmance of the Lease, in any such proceeding) it will pay the sums, or amounts equal thereto, which the Lessee is obligated to pay at the times specified in the Lease (it being the intention hereof that the Guarantor shall pay to the Lessor, as a payment obligation directly due from the Guarantor to the Lessor, amounts equal to all amounts which the Lessee shall fail to faithfully and properly pay when due under the Lease), or otherwise provide for and bring about promptly when due (taking into consideration applicable notice and grace periods) such payment and the performance of such duties, agreements, covenants and obligations of the Lessee under the Lease. The Guarantor acknowledges that it is fully aware of, and consents to the terms and conditions of, the Lease and each other document delivered or to be delivered pursuant thereto and guarantees the accuracy of all representations and warranties of the Lessee or any officer thereof made, or to be made after the date hereof, in any of such documents. The obligations of the Lessee hereby guaranteed are hereinafter called the "Obligations".

2. Without limiting the generality of clause (a) of Section 1 hereof, the Guarantor specifically agrees that it shall not be necessary or required, and that it shall not be entitled to require, that the Lessor file suit or proceed to obtain or assert a claim for personal judgment against the Lessee for the Obligations or make any effort at collection of the Obligations from the Lessee or foreclose against or seek to realize upon any security now or hereafter existing for the Obligations or file suit or proceed to obtain or assert a claim for personal judgment against any other party liable for the Obligations or make any effort at collection of the Obligations from any such other party or exercise or assert any other right or remedy to which any of them is or may be entitled in connection with the Obligations or any security or other guarantee therefor or assert or file any claim against the assets of the Lessee or other person liable for the Obligations, or any part thereof, before or as a condition of enforcing the liability of the Guarantor under this Guarantee or requiring payment of said Obligations by the Guarantor hereunder, or at any time thereafter. Indefeasible fulfillment by the Lessee or the Guarantor of any of the Obligations shall dispose of any claim hereunder with respect to, and to the extent of, such of the Obligations fulfilled, provided, however, that (except as and to the extent provided in Section 6(a) of the Lease) unless and until all the Obligations shall have been performed, the Guarantor shall not claim or enforce any right of subrogation, reimbursement or indemnity against the Lessee, or any other right or remedy which might otherwise arise on account

of any payment made by it or act or thing done by it on account of or in accordance with this Guarantee. The Guarantor does hereby waive and relinquish, so far as it may lawfully and effectively do so, the benefit and advantage of any and all valuation, stay, appraisal, extension or redemption laws which, but for this provision, agreement and waiver, might be applicable to any sale made under any judgment, order or decree of any court or otherwise based on this Guarantee or the Lease.

3. This Guarantee shall not be deemed to create any right in any person except as provided herein nor be construed in any respect to be a contract in whole or in part for the benefit of any other person except the successors or permitted assigns of the Lessor. The Guarantor specifically agrees that it shall not be necessary or required in order to enforce its obligations hereunder that there be, and specifically waives to the fullest extent permitted by law: notice of the acceptance of this Guarantee and of the performance or nonperformance of the Lease; demand of payment from the Lessee; presentment for payment upon the Lessee or the making of any protest; notice of the amount of the Obligations outstanding at any time; notice of nonpayment or failure to perform on the part of the Lessee; and any other circumstance which might otherwise constitute a legal or equitable defense or discharge of a guarantor or surety.

4. The obligations of the Guarantor under this Guarantee shall be absolute and unconditional and (except as provided in Section 6(a) of the Lease) shall remain in full force and effect until the Obligations shall have been fully discharged and shall not be released or discharged for any reason whatsoever, including, without limitation, the following, except, in each case, as otherwise required by any mandatory non-waivable requirement of law: (i) the waiver by the Lessor or its successors or permitted assigns, of the performance or observance by the Lessee of any of the agreements, covenants, terms or conditions contained in the Lease, or any default thereunder, (ii) the extension of time for payment by the Lessee of any sums or any part thereof owing or payable under the Lease, or of the time for performance by the Lessee of any other obligations under or arising out of or on account of the Lease, or the extension or renewal of the Lease, (iii) any failure, omission or delay of the Lessor to enforce, assert or exercise any right, power or remedy conferred on the Lessor in the Lease, or any action on the part of the Lessor granting extension or indulgence in any form, (iv) any transfer or assignment by the Lessee or the Lessor of its interest, or any part thereof, in and to any Unit as permitted by the Lease, (v) any compromise, settlement, release, renewal, extension, indulgence, change in or waiver or modifica-

tion of any of the Obligations or the release or discharge of the Lessee from the performance or observance of any of the Obligations by operation of law or otherwise, (vi) any assignment or mortgaging or the purported assignment or mortgaging of all or any part of the interest of the Lessee in the Lease or in any Unit, (vii) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets and liabilities of, or the voluntary or involuntary receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting, the Lessee or the disaffirmance of the Lease in any such proceeding or (viii) any other circumstance which might otherwise constitute a legal or equitable defense or discharge of a guarantor or surety.

5. The Guarantor represents and warrants to and for the benefit of the Lessor that:

(i) The Guarantor is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has the corporate power and authority to own or lease its properties and to carry on its business as now conducted and as contemplated hereby.

(ii) The Guarantor has full corporate power and authority to execute, deliver and perform this Guarantee.

(iii) Neither the execution, delivery and performance by the Guarantor of this Guarantee, nor compliance with the terms and provisions hereof, contravenes or will contravene the Articles of Incorporation or the By-laws of the Guarantor, conflicts or will conflict with or will result in a breach or violation of any of the terms, conditions or provisions of any law, governmental rule or regulation presently in effect having applicability to the Guarantor, or any order, writ, injunction or decree of any court or governmental authority (which is, individually or in the aggregate, material to the consolidated financial condition of Guarantor and its consolidated subsidiaries) presently in effect having applicability to the Guarantor or by which it or any of its properties is bound, or of any indenture or mortgage, or any agreement or other instrument (which is, individually or in the aggregate, material to the consolidated financial condition of Guarantor and its consolidated subsidiaries) to which the Guarantor is a party or by which its property may be bound, or constitutes or will constitute a default thereunder.

(iv) This Guarantee has been duly authorized, executed and delivered by the Guarantor and is the legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally and by general equitable principles regardless of whether considered in a proceeding in equity or at law.

(v) No approval of any governmental authority is necessary for the execution, delivery or performance by the Guarantor of this Guarantee.

(vi) Except as disclosed in the Disclosure Documents (as defined in the Lease), there are, as of the date of execution of this Guarantee by the Guarantor, no suits or proceedings pending or, to the knowledge of the Guarantor, threatened in any court or before any regulatory commission, board or other administrative governmental agency against the Guarantor which are likely (to the extent not covered by insurance) to have a material adverse effect on its ability to fulfill the Obligations under this Guarantee.

(vii) The audited consolidated balance sheet of the Guarantor and its consolidated subsidiaries as of December 31, 1986 and the related consolidated statements of operations and changes in financial position for the year then ended have each been prepared in conformity with generally accepted accounting principles consistently applied for and throughout the period involved, except as described in the notes to such financial statements, and accurately present the consolidated financial position of the Guarantor and its consolidated subsidiaries as of such date and for the period specified therein.

(viii) There has been no material adverse change in the financial condition of the Guarantor and its consolidated subsidiaries on a consolidated basis since December 31, 1986, except as disclosed in the Disclosure Documents or as disclosed in writing to the Lessor prior to the date of execution of this Guarantee by the Guarantor.

6. The Guarantor agrees to deliver to the Lessor the following:

(i) As soon as practicable after the end of each of the first three fiscal quarters in each fiscal year of the Guarantor, and in any event within 60 days thereafter, a copy of (x) a consolidated balance sheet of the Guarantor and its con-

solidated subsidiaries as of the end of such quarter; and (y) the related consolidated statement of operations of the Guarantor and its consolidated subsidiaries for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter; setting forth in each case in comparative form the corresponding consolidated figures as of the end of, and for, the comparable period one year prior thereto, all in reasonable detail and certified as complete and correct, subject to changes resulting from year-end audit adjustments, by a financial or accounting officer of the Guarantor.

(ii) As soon as practicable after the end of each fiscal year of the Guarantor, and in any event within 120 days thereafter, a copy of (x) a consolidated balance sheet of the Guarantor and its consolidated subsidiaries as of the end of such year; and (y) the related consolidated statement of operations of the Guarantor and its consolidated subsidiaries for such year; all in reasonable detail and setting forth in each case in comparative form the corresponding consolidated figures for the preceding fiscal year and all certified by Arthur Andersen & Co. or by other independent certified public accountants of recognized national standing selected by the Guarantor.

(iii) Promptly upon their becoming available, a copy of each regular and periodic report, if any, filed by the Guarantor with the Security and Exchange Commission or any successor agency.

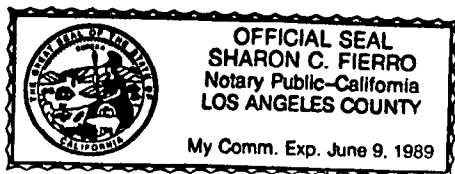
(iv) With reasonable promptness, such other readily available information and data with respect to the Guarantor and the Lessee, other than confidential trade information, as from time to time may be reasonably requested by the Lessor; provided, however, that if reasonably required by the Guarantor, the Lessor shall, as a condition to receiving any such information or data, certify to the Guarantor that the same is being requested solely in order to assist the Lessor in evaluating its investment in the Units.

7. Notwithstanding anything in this Guarantee to the contrary, the obligations of the Guarantor are not intended as, and do not constitute, a guarantee of the residual value of any Unit.

8. This Guarantee shall inure to the benefit of and be binding upon the successors and assigns of the Guarantor and the successor and permitted assigns of the Lessor.

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

On this 23rd day of December, 1987 before me personally appeared R. B. Casriel to me personally known, who being by me duly sworn, say that he is V.P. & Treasurer of Occidental Petroleum Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said Guarantee was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged before me that the execution of the foregoing instrument was the free act and deed of said corporation.



Sharon C. Fierro
Notary Public

My Commission expires 6/9/89